

Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 EPG-02 SIL-01 OMB-01 L-03 H-01

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R 240805Z JUN 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 1540

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E.O. 11652: NA

TAGS: ECON, RP

SUBJECT: MARCOS MEETS THE BUSINESSMEN

1. SUMMARY: IN AN ADDRESS AT THE CLOSING CEREMONIES OF THE 3RD ANNUAL NATIONAL BUSINESS CONFERENCE (NBC), JUNE 23, PRESIDENT MARCOS EMPHASIZED FOUR MAJOR POINTS. THE PRIVATE SECTOR WILL REMAIN THE ENGINE FOR DEVELOPMENT, WITH GOVERNMENT AND GOVERNMENT CORPORATIONS PLAYING A SUPPORTIVE ROLE. THE GOVERNMENT WILL NOT RESCIND THE NEW 35 PERCENT TAX ON INCOME EARNED IN MONEY MARKET TRANSACTIONS. SUGAR TRADING WILL NOT BE RETURNED TO THE PRIVATE SECTOR. INSTEAD, THE NEWLY CREATED PHILIPPINE SUGAR COMMISSION WILL TAKE OVER THE GOP'S SUGAR TRADING RESPONSIBILITIES (REPORTED SEPTTEL). THE PROLIFERATION OF BUSINESS CHAMBERS AND ASSOCIATIONS MUST ORGANIZE THEMSELVES INTO ONE NATIONAL BUSINESS BODY BY THE END OF THE YEAR TO FORM A GOVERNMENT/PRIVATE SECTOR PARTNERSHIP WITH NEDA OR GOVERNMENT WILL INTERVENE TO DO SO. THE PRESIDENT'S SPEECH WAS BILLED BEFOREHAND AS A MAJOR ECONOMIC POLICY SPEECH, WHICH IT WAS NOT. NOR WAS IT RESPONSIVE TO THE BREAD AND BUTTER ISSUES RAISED BY THE CONFERENCE IN RESOLUTIONS PRESENTED TO

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THE PRESIDENT FOR ACTION. END SUMMARY.

2. THE NBC WAS CO-SPONSORED BY THE CHAMBER OF COMMERCE OF THE PHILIPPINES AND THE FEDERATION OF FILIPINO-CHINESE CHAMBERS OF COMMERCE AND INDUSTRY, THE TWO PREMIER BUSINESS CHAMBERS IN THE PHILIPPINES. OVER 700 DELEGATES FROM SMALL, MEDIUM, AND LARGE SCALE FIRMS

NATIONWIDE PARTICIPATED. THE CONFERENCE WAS BILLED AS THE "BARANGAY OF THE PRIVATE SECTOR." ONE ORGANIZING OFFICIAL TOLD EMBOFF THAT CONFERENCES LIKE THIS ARE THE ONLY WAY PROVINCIAL BUSINESSMEN HAVE TO GET THEIR GRIEVANCES AIRED BEFORE GOVERNMENT NOW THAT THERE IS NO CONGRESS. IT WAS CLEAR IN THE WORKING GROUPS THAT BOTH THE GOVERNMENT AND BUSINESS REPRESENTATIVES TOOK THEIR WORK AND FINAL RESOLUTIONS SERIOUSLY.

3. COMMENT: THERE IS ALWAYS A VERY WIDE GAP BETWEEN THE PROCLAMATION AND IMPLEMENTATION OF POLICY IN THE PHILIPPINES. GOVERNMENT REPRESENTATIVES IN THE WORKING GROUPS, WHO WERE OF THE SECRETARY AND UNDER-SECRETARY LEVEL, PROMISED ACTION ON THE BREAD AND BUTTER ISSUES. THERE WERE GREAT EXPECTATIONS ON BEHALF OF THE DELEGATES THAT PRESIDENT MARCOS WOULD TAKE DIRECT ACTION ON SOME OF THE PRIORITY RESOLUTIONS BY GIVING THE CABINET OFFICERS PRESENT MARCHING ORDERS DURING HIS SPEECH. THIS HAS BEEN HIS PRACTICE IN THE PAST DURING SIMILAR FORUMS. THE DELEGATES WERE DISAPPOINTED. PRESIDENT MARCOS DID NOT ADDRESS HIMSELF TO THE REAL ISSUES CONCERNING THE BUSINESS COMMUNITY, EXCEPT FOR HIS REAFFIRMATION OF PRIVATE SECTOR PRIMACY WHICH STRUCK A SYMPATHETIC CHORD AND WAS IN DIRECT RESPONSE TO CONCERNS EXPRESSED DURING THE CONFERENCE TO SECRETARIES PATERNO AND VIRATA ABOUT THE GROWING ROLE LIMITED OFFICIAL USE

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OF GOVERNMENT CORPORATIONS. WE CONCLUDE FROM MARCOS' PERFORMANCE BEFORE THIS FORUM THAT HE FEELS QUITE CONFIDENT IN HIS SUPPORT FROM THE BUSINESS COMMUNITY AND FEELS NO NEED TO TOSS THEM THE CRUMBS HE HAS IN THE PAST. THIS IS PROBABLY A FAIR ANALYSIS, FOR AS MARCOS POINTED OUT IN HIS SPEECH, THE BUSINESS COMMUNITY HAS BEEN THE FIRST TO BENEFIT FROM NEW SOCIETY PROGRAMS, AND NOW MUST BEGIN TO BEAR SOME OF THE BURDENS. THERE WERE NO STANDING OVATIONS ON THAT ONE HOWEVER.

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Message Attributes

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Control Number: n/a
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Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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